

86th Legislative Session – 2011

Committee: House Appropriations

Monday, March 07, 2011

P - Present
E - Excused
A - Absent

Roll Call

P Dennert
P Wismer
P Juhnke
P Bolin
P Romkema
P Dryden
P White
P Carson, Vice-Chair
P Wink, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Representative Dean Wink.

SB 152: require that any reduction in the general fund levies of a school district only account for increases in the taxable valuation of property and to revise the property tax levies for the general fund of a school district.

Presented by: Senator Larry Rhoden

Proponents: Jason Dilges, Bureau of Finance and Management

MOTION: AMEND SB 152

152fh

On page 1, line 9, of the Senate engrossed bill, delete "2012" and insert "2013".

On page 2, line 2, delete "\$4,494.28" and insert "\$4,389.95".

On page 3, line 13, delete "forty-seven" and insert "thirty-eight".

Moved by: Carson
Second by: Juhnke
Action: Prevailed by voice vote.

MOTION: DO PASS SB 152 AS AMENDED

Moved by: Carson
Second by: Juhnke
Action: Prevailed by roll call vote. (9-0-0-0)

Voting Yes: Dennert, Wismer, Juhnke, Bolin, Romkema, Dryden, White, Carson, Wink

MOTION: AMEND TITLE OF SB 152

152ftd

On page 1, line 1, of the Senate engrossed bill, delete everything after "to" and insert "revise certain provisions concerning state aid to education, to revise and provide for the adjustment of the per student allocation for the state aid to general education formula, and to revise certain property tax levies for the general fund of a school district.".

On page 1, delete lines 2 and 3.

Moved by: Carson
Second by: Juhnke
Action: Prevailed by voice vote.

MOTION: RECONSIDER SB 86 AND PLACE ON TODAY'S AGENDA

Moved by: Carson
Second by: Juhnke
Action: Prevailed by roll call vote. (9-0-0-0)

Voting Yes: Dennert, Wismer, Juhnke, Bolin, Romkema, Dryden, White, Carson, Wink

SB 86: revise the investment fee rate for certain employers and to declare an emergency.

Presented by: Senator Deb Peters

MOTION: AMEND SB 86

86ja

On the printed bill, delete everything after the enacting clause and insert:

" Section 1. That § 61-5-24.1 be amended to read as follows:

61-5-24.1. Employers required by this title to pay contributions, except employers that pursuant to chapter 61-5A reimburse the unemployment compensation trust fund for benefits paid in lieu of contributions, shall also pay an employer's investment in South Dakota's future fee, hereinafter "investment fee," on wages as defined by this title. The fee rate for employers not eligible for experience rating, as defined in § 61-5-20.2, shall be seventy hundredths percent through calendar year 2006 and fifty-five hundredths percent on and after January 1, 2007. If an employer is eligible for experience rating, his the employer's reserve ratio shall be determined pursuant to § 61-5-18.14 and his the employer's investment fee rate shall be the rate appearing in column "A" on the same line on which his the employer's reserve ratio appears in column "B" of the following rate schedules.

From January 1, 1993, to December 31, 2006, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.70%	Less than 0.80%
0.60%	0.80% and Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2007, to December 31, 2007, inclusive:

Column "A"	Column "B"
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Investment Fee Rate	Reserve Ratio
0.60%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2008, to December 31, 2008, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.58%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2009, to December 31, 2009, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.56%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%

0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

~~Beginning From~~ January 1, 2010, to December 31, 2010, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.55%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

Beginning January 1, 2011:

<u>Column "A"</u>	<u>Column "B"</u>
<u>Investment Fee Rate</u>	<u>Reserve Ratio</u>
<u>0.53%</u>	<u>Less than 1.00%</u>
<u>0.50%</u>	<u>1.00% and Less than 1.20%</u>
<u>0.40%</u>	<u>1.20% and Less than 1.30%</u>
<u>0.30%</u>	<u>1.30% and Less than 1.40%</u>
<u>0.20%</u>	<u>1.40% and Less than 1.50%</u>
<u>0.10%</u>	<u>1.50% and Less than 1.60%</u>
<u>0.00%</u>	<u>1.60% and Over</u>

The terms and conditions of this title which apply to the payment and collection of contributions also apply to the payment and collection of the investment fee. Proceeds from the investment fee

shall be deposited in the clearing account of the unemployment compensation fund for clearance only and may not become part of the fund. After clearance, the money derived from such payments, less refunds made pursuant to the provisions of this title, shall be deposited in the employer's investment in South Dakota's future special revenue fund as provided for in § 61-5-24.2. Investment fee payments may not be credited to the employer's experience rating account and may not be deducted in whole or in part by any employer from the wages of individuals in its employ.

The investment fee rate may not be increased over the applicable 1987 investment fee rate for any employer with a positive balance in ~~his~~ the employer's experience rating account on the computation date, as established in rules promulgated by the secretary of labor pursuant to chapter 1-26, for the current year and the year preceding the current year.

The investment rates provided in this section apply to and are retroactive to taxable wages paid on and after January 1, 1993.

Section 2. Whereas, this Act is necessary for the support of the state government and its existing public institutions, an emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval."

Moved by: Carson
Second by: Juhnke
Action: Prevailed by voice vote.

Voting No: Wismer

MOTION: DO PASS SB 86 AS AMENDED

Moved by: Carson
Second by: Juhnke
Action: Prevailed by roll call vote. (8-1-0-0)

Voting Yes: Dennert, Juhnke, Bolin, Romkema, Dryden, White, Carson, Wink

Voting No: Wismer

MOTION: AMEND TITLE OF SB 86

86jta

On page 1, line 1, of the printed bill, delete everything after "Act to" and insert "revise the investment fee rate for certain employers and to declare an emergency."

On page 1, delete line 2.

Moved by: Carson
Second by: Juhnke
Action: Prevailed by voice vote.

MOTION: TO APPROVE THE MINUTES OF MARCH 2, 2011

Moved by: Bolin
Second by: Romkema
Action: Prevailed by voice vote.

MOTION: ADJOURN

Moved by: Carson
Second by: Dryden
Action: Prevailed by voice vote.

Lisa Shafer
Committee Secretary

Dean Wink, Chair